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Governor

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Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

0001

March 24, 2009

#### CERTIFIED RETURN RECEIPT

7003 2260 0002 0247 7907

Lon Thomas  
Star Stone Quarries, Inc.  
4040 South 300 West  
Salt Lake City, Utah 84107

Subject: Notice of Cancellation/Termination of Reclamation LOC Number [REDACTED] Star Stone Quarries, Inc., Cotton Thomas, M0030024, Box Elder County, Utah

Dear Mr. Thomas:

Please review the enclosed Key Bank's Notice of Non-Renewal notification indicating the Letter of Credit (LOC) in the amount of \$27,030.00 for the Cotton Thomas Mine. According to the terms of the LOC the Bank may elect not to renew as long as a ninety (90) day notice is given to the Division. These terms have been met; therefore, effective June 30, 2009, the LOC will not be renewed. Paragraph 2 of the Reclamation Contract, states the operator shall provide a replacement surety within sixty (60) days following the Division's receipt of the cancellation/termination notice.

You are hereby advised that the Division must receive a replacement form of surety on or before May 21, 2009 or the Division will be forced to do any/some of the following:

- Carry out the terms of the LOC number [REDACTED]
- Submit a request to the Board of Oil, Gas and Mining to withdraw the permit
- Order the cessation of mining operations
- Order immediate reclamation of all lands affected

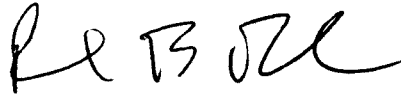


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If you have questions or require assistance regarding the surety, please contact Penny Berry (801) 538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov) . Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely,

A handwritten signature in black ink, appearing to read 'PB Baker', written in a cursive style.

Paul Baker  
Minerals Program Manager

PBB:pb  
Enclosure: Notice of Non-Renewal  
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